Dear colleagues,

The primary goal of Library Services and Technology Act (LSTA) funding in Michigan is to "provide all Michigan residents statewide access to the widest possible range of information, library resources and services to advance their lives as workers, students, citizens, family members and lifelong learners" (LSTA 5-Year Plan for Michigan).

I am proud of our state's record of administering these all-important dollars in a way that maximizes such opportunities for the people of Michigan. As you know, we have achieved this through a mix of statewide initiatives and subgrants to libraries for community-based projects and enhancements.

In keeping with the goal of providing services for the greatest number of people, resources which offer the most potential benefit to the most Michigan residents and libraries statewide \* such as the Michigan eLibrary (MeL) and the MeLCat resource-sharing network \* have been, and will remain, a funding priority.

In FY 2005, the Library of Michigan chose to concentrate LSTA funding on the launch of the MeLCat project and continued enhancements to MeL, and to take a year's hiatus from the subgrant program. We understand how important LSTA subgrants have been to Michigan's libraries, and we are committed to reinstating them as soon as we are able. However, the ongoing and ever increasing costs for MeL \* in addition to continued scarcity of state government operations funding \* will prohibit the Library of Michigan from offering a competitive subgrant program for FY 2006.

We appreciate your continued understanding that this use of funding will give the best return on investment for libraries and their patrons statewide. Sincerely,

Nancy Robertson
Acting State Librarian
Library of Michigan

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